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BY THE HOUSE OF DELEGATES,

MARCH 14th, 1865.

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S T A T E M E N T

OF THE

CONDITION AND FINANCIAL AFFAIRS

OF THE

Chesapeake and Ohio Canal Company,

TO THE

GENERAL ASSEMBLY.

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ANNAPOLIS:

RICHARD P. BAYLY, PRINTER.

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1865.

## STATEMENT.

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OFFICE OF THE CHESAPEAKE & OHIO CANAL COMPANY,

Washington, March 13th, 1865.

*To the Honorable,*

*Speaker of the House of Delegates of Maryland:*

SIR:—The following order has been communicated to me by the Clerk of the House of Delegates:

“Ordered, That the President of the Chesapeake & Ohio Canal Company be requested to forward to this House a statement of the present condition of the work, and its financial affairs.”

In reply, I have to state that the condition of the canal during the past year, has been better than for many years previously; that the transportation upon it was more regular and less interrupted, until the invasion of the enemy in July last, when serious damages were sustained, and the navigation suspended for three months of the most active and profitable portion of the year. It is estimated that the revenues of the company were diminished by this casualty to the extent of \$200,000. When the canal was repaired and again ready for business, it continued active till the close of the navigation by ice.

The great severity of the winter prevented the usual repairs at this season as early as was contemplated, and the recent ice freshet in the river has occasioned considerable damage, which however, it is believed, can be repaired and the navigation of the canal be resumed for active business on or before the first of April ensuing.

It will still require considerable expenditures to place the work in thorough and permanent order, make it reliable for uninterrupted navigation, and afford proper facilities to the greatly increasing trade upon it. This it is proposed to do during the present summer as far as the revenues of the company will admit, consistent with other indispensable obligations.

The business of the past year, notwithstanding the interruptions above stated, has realized larger revenues than have ever previously accrued and amounted to \$234,699.30

Whilst the current expenses, exclusive of interest unpaid on bonds of the Company, were as follow :

Repairs of the Canal.....	\$71,598.48	
Pay of officers on the line of the Canal.....	31,709.30	
Interest paid.....	37,093.99	
Pay of Officers.....	6,081.33	
Other Expenses.....	2,657.71	149,140.81

Leaving an excess of revenue over current expenses of.....	\$85,558.49
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Exclusive of unpaid interest on the bonds of the Company issued for the completion and repairs of the Canal.

All current expenses incurred since the accession of the present Board exclusive of the accumulating interest on the previously existing obligations of the Company, have been paid, and during the past two years in addition thereto, \$150,000 have been paid on previously existing claims.

I transmit herewith a copy of the last annual report made in June last, also a classified statement of all the debts of the Company, with interest computed to the 1st of January last, which will give a full view of the financial condition of the Company. Included in this statement are the following items regarded as the floating debt of the Company, payable from the first available revenues, after the payment of current expenses, necessary repairs and improvements of the Canal, viz :

Outstanding balances on Superintendencies	\$52,324.55
Acceptances and bonds and balances due to contractors for repairs and improvements of the Canal.....	28,555.48
Loans for repairs of the Canal.....	140,827.19
Certificates for repairs &c., prior to 1845....	45,727.14
do     receivable for tolls, for repairs, &c.	23,678.21
Interest payable on these several claims.....	38,034.19
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	\$329,146.76

I have the honor to be

Yours, most respectfully,

ALFRED SPATES,

President Chesapeake and Ohio Canal Co.,



## STATEMENT

*Of the Debts of the Chesapeake and Ohio Canal Company, created by the Act passed by the Legislature of the State of Maryland, at December Session, 1844, chapter 281, for the completion of the Canal to Cumberland, the principal and interest on which will take precedence of the liens of the State of Maryland.*

1st. Certificates of debt payable at the pleasure of the Company, issued in liquidation of "debts due and in arrear for repairs and officers' salaries" prior to the passage of the Act, amount issued to this time, \$45,727.14, on which interest is regularly paid, but which may be extended on adjustment of outstanding claims to an amount which will not exceed.....	\$ 50,000 00
2nd. Loans from Banks and Corporations, for repairs of the Canal from the freshets of 1847, 1852 and 1857, on which interest is regularly paid,.....	140,827 19
Interest due and in arrear to the 31st of December, 1864,.....	12,053 75
3rd. Outstanding balances for repairs, improvements, &c.,.....	52,324 55
4th. Bonds for repairs of the Canal below Dam No. 6, guarantied by the State of Virginia, payable in the year 1869, with interest semi-annually,.....	200,000 00
Interest due and in arrear on the same, from the 1st of July, 1852, to the 31st Dccember, 1864,....	150,000 00
5th. Bonds to Selden, Withers & Co., for coupons on preferred bonds paid by them,.....	140,000 00
Interest due and in arrear on the same from the 1st of January, 1852, to the 31st December, 1864,	109,200 00
6th. Certificates issued for coupons on preferred bonds of the Company, payable	
Amount carried forward,.....	

Amount brought forward,.....	
in July, 1852, January and July, 1853, and January, 1854, funded and accrued interest thereon, (interest on these certificates has been paid to April 1st, 1857,).....	\$146,840 44
Interest due and in arrear to December 31st, 1864,.....	78,670 00
7th. Unfunded coupons payable at the same periods, and accrued interest thereon,	88,800 00
8th. Coupons on the preferred bonds of the Company due and in arrear from 1st July, 1854, to 31st December, 1864,..	1,121,600 00
9th. Bonds issued for the completion of the Canal to Cumberland, under the Act of 1844, ch. 281, payable 35 years after date,.....	1,699,500 00
10th. Acceptances and bonds for repairs &c.	24,224 50
Interest due on same to 31st of December, 1864,.....	5,920 00
11th. Certificates for tolls, outstanding,....	23,678 41
Interest due on same to the 31st of December, 1864,.....	8,660 44
Aggregate principal and interest having precedence of the claims of the State of Maryland,.....	<u><u>\$4,052,299 28</u></u>
Of which the principal debt, payable at a distant period amounts to \$1,950,000, on which there is an annual charge for interest amounting to \$117,000, and the principal of the residue amounting to \$2,102,299.28 with accruing interest thereon, will be payable before any part of the revenues can be applied to the liens of the State.	
Debts of the Company, which are deferred and postponed to the mortgages, executed to the State of Maryland:	
Post Notes or Scrip,.....	\$372,599 00
Bonds issued in redemption of Post notes,..	5,758 00
“ “ to contractors or creditors,....	169,066 29
Acceptances to contractors or creditors,....	126,596 64
Amount carried forward,.....	

Amount brought forward,.....		
Certificates for script, bonds, &c.—principal,	\$	186,751 16
Balances due to contractors,.....		85,664 30
	\$	946,435 39
Interest due on these claims to Decem- ber 31st, 1864, estimated at.....		1,253,564 61
	\$	2,200,000 00
Also, certificates issued to the creditors of Hunter, Harris & Co., under the re- solutions of the board of the 1st of March, 1855, not to exceed in the ag- gregate \$260,000—amount issued to 31st December, 1864,.....		91,048 99
Also, certificates of debt issued to the credi- tors of the Potomac Company, con- tingently provided for in the Act of 1864, ch. 281.....	\$56,896.48	
Interest accrued thereon to 31st December, 1864,.....	84,292.11	141,188 59
		<u>\$2,432,237 58</u>
The aggregate investments of the State of Maryland in the Chesapeake and Ohio Canal Company, classed under their respective heads:		
<i>First Class—Mortgaged Debt.</i>		
Loan of the Company under the Act of 1834, ch. 241, bearing interest at the rate of six per cent. per annum, secured by mortgages executed under said Act, and the Act of 1844, 281, section 7, .....		\$2,000,000 00
Interest due and in arrear thereon to December 31st, 1864,.....		3,055,000 00
Interest in arrear on the bonds is- sued by Maryland in payment of her preferred stock, which is se- cured by mortgages executed un- der the Acts of 1838, ch. 386 and		
Amount carried forward,.....		



Amount brought forward,.....	
396, for the terms of three years, ending 1st of July, 1842,.....	\$ 663,611 94
Premium charged for converting paper into coin in payment of interest,.....	9,975 00
	<u>\$5,728,586 94</u>
<i>Second Class—Preferred Stock.</i>	
Subscription to the capital stock under the Act of 1835, ch. 395, on which six per cent. dividends are guarantied from the 1st of July, 1842, payable out of the net revenues,.....	\$3,000,000 00
Subscription under the Act of 1838, ch. 396, upon which six per cent. dividends payable out of the nett revenues, and in like manner guarantied,.....	1,375,000 00
Guarantied dividends on said preferred stock in arrear to the 31st of December, 1864, payable out of the nett profits of the Canal,.....	5,906,250 00
	<u>\$10,281,250 00</u>
<i>Third Class—Common Stock.</i>	
Original subscription under the Act of 1827, chap. 105,.....	\$500,000 00
Subscription under the Act of 1833, ch. 239,	125,000 00
	<u>\$625,000 90</u>
<i>Summary.</i>	
1st Class Mortgaged debts and interest in arrear,.....	5,728,586 94
2nd “ Preferred stock and guarantied dividends in arrear,.....	10,281,250 00
3rd “ Common stock,.....	625,000 00
	<u>\$16,634,836 94</u>
In addition to the above the State of Mary- land own stock in the Company which was subscribed under the Act of 1825, ch 180, sec. 19, and paid for in debts,	
Amount carried forward,.....	

Amount brought forward,.....	
due the State by the Potomac Company,.....	\$ 43,280 00
Also, subscribed under the same Act and paid for in stock held by the State in the Potomac Company,.....	120,444 44
Total.....	\$163,724 44

By the 11th section of the charter of the Chesapeake and Ohio Canal Company, no dividends are payable on this stock, until the dividends on all the stock paid for in money exceed ten per cent.

The mortgages or liens of the State of Maryland originally covered the lands, tenements, property-rights &c., and the nett tolls and revenues of the Company. The Act of 1844, ch. 281, waived and postponed the liens on the *revenues* that may accrue from the Canal and its works between Georgetown and Cumberland, so as to make the bonds authorized to be issued under the Act, and the interest to accrue thereon, preferred liens on said *revenues* according to the provisions thereof.

The mortgage executed by the Company to the State of Maryland under the 7th section of the Act of 1844, is subject and secondary to "the liens and pledges made, created or authorized by the provisions of the Act."

Office Chesapeake and Ohio Canal Co.,

Washington, March 11, 1865,

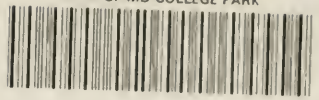
W. S. RINGGOLD,

Clerk of Board.





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